

5 November 1964

MEMORANDUM FOR: [REDACTED] 25X1A9a

FROM : Executive Secretary, EDIC

SUBJECT : Current Status of Pending EDIC Projects

There follows a brief statement on problems and/or projects which have concerned the IWG (now EDIC) in recent months. It is understood that this information is desired in connection with the forthcoming EDO Conference.

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1. MDAC Requirements for [REDACTED] Data - Discussions on this subject have been held under EDIC auspices. It is now agreed that this is no longer a major problem since ONI has resumed publication of its [REDACTED] reports and stands ready to supply on an ad hoc basis the "crash" needs of MDAC in this field. CIA personnel are assisting in this support to MDAC.

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2. Processing of Commodity Papers Used in List Review - Extended discussions on this subject have been held. It was originally thought desirable to establish a permanent record and/or assess the adequacy of intelligence provided JOC. It is now agreed that the utility to be derived from such a project could not be justified in terms of the manhours required. As a corollary, I have been instructed to undertake on a trial basis, the preparation of a monthly inventory of all projects completed or in process within the intelligence community which are considered directly relevant to the needs of the economic defense program.

3. Tracing Movement of Decontrolled Commodities - An IWG subgroup on "Intelligence on Trade in Decontrolled Commodities" was established and instructed to: prepare a list of decontrolled commodities, indicate those items the movements of which should be traced, determine the most feasible method of tracing such movements, and survey capabilities of member agencies for purposes of the project. JOC has now assumed responsibility for preparation of the list and further EDIC action is deferred pending such action.

4. External Financial Operations of the Soviet Bloc - AN IWG report prepared early in 1963 pointed out the need for additional U.S. Government facilities to process and take action on this type of intelligence. ONI has also pointed up the urgency for more thorough exploitation of the technique of [REDACTED]

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[REDACTED] Further EDIC action awaits Executive Committee reaction to the IWG (now EDIC) report.

5. Intelligence for COCOM Enforcement Program - IWG was asked by the Executive Committee to inquire into this from the intelligence standpoint. Conversations on the subject among the [REDACTED] were reported by the Chairman, EDIC, at its last meeting. CIA intends to work [REDACTED]

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6. Program for Study of Soviet Trade Tactics - The IWG assisted in helping to initiate intelligence research on two papers on Soviet trade trends and tactics, namely, on Soviet trade fairs and Soviet petroleum offers and exports. This effort is in connection with MDAO intent to table in COCOM additional material in support of the CG resolution on Soviet trade tactics.

7. Change of Name of IWG - In order that its purpose and activity be more adequately described, the IWG secured IAC approval to change the name of the Intelligence Working Group to Economic Defense Intelligence Committee. This became effective 26 October 1954.

8. OIR Economic Defense Staffing Program - the IWG carefully reviewed the OIR proposal and approved it in principle. The intelligence community is to have the opportunity to review those OIR contributions to MDAO which reach the Executive Committee level. Among other provisions of the proposal are those which specify that project requests from EDAC agencies would normally be initiated through the EDIC and that project contributions would be referred to the EDIC for review.

9. Soviet Procurement of Copper Wire - the EDIC is currently engaged on the periphery in helping to coordinate the production of intelligence on the significance of recent Soviet orders for copper wire following its decontrol. It has been agreed that the EDIC will review a forthcoming OIR study on this subject.

10. Production and Uses of Indium - MDAO has requested the EDIC to produce an intelligence study on Soviet bloc and Western European production and uses of indium. The Soviet bloc has attempted to procure this item for which new uses of a highly strategic character, particularly in aircraft, have been developed. Intelligence developed will be used by action agencies in determining whether this commodity should be made subject to US and COCOM trade controls.

11. Transmittal of Current Intelligence (Other than Enforcement) to Action Agencies - EDIC is studying the adequacy of support to action agencies of intelligence of this type. Although it has found that most action agencies receive such intelligence on the basis of standard distribution requirements, inquiry is being made as to whether information from the military services is reaching the action agencies. It is not believed that this distribution is completely satisfactory at present.

12. Differential China Controls - Although not directly involved, the EDIC has kept abreast of developments on this subject. It may develop that certain questions will be forwarded by the Far Eastern Economic Defense Working Group of EDAC to EDIC for intelligence support.

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